

Message Text

CONFIDENTIAL

PAGE 01 MILAN 01123 01 OF 03 052033Z
ACTION EUR-08

INFO OCT-01 SS-14 ISO-00 NSC-05 NSCE-00 SP-02 INR-05
CIAE-00 EB-04 PM-03 MCT-01 /043 W
-----061066 052117Z /73
R 051305Z JUL 77
FM AMCONSUL MILAN
TO AMEMBASSY ROME
INFO SECSTATE WASHDC 5476

C O N F I D E N T I A L SECTION 1 OF 3 MILAN 1123

LIMDIS

E.O. 11652: GDS
TAGS: ECON, PGOV, PINS, PINT, IT
SUBJECT: A SUMMER VISION OF THE RED AND THE BLACK

REF: MILAN 0782

SUMMARY. EVENTS IN AND SEEN FROM MILAN SINCE EASTER SEEM TO HAVE BROUGHT CLOSER THE RETURN TO NATIONAL GOVERNMENT OF THE ITALIAN COMMUNIST PARTY. END SUMMARY.

1. LIFE IS WINDING DOWN IN MILAN AS SUMMER FITFULLY SETTLES IN. THE EXODUS OF WIVES AND CHILDREN HAS BEGUN. THE POLITICAL AND ECONOMIC TRYPTICH OF SUMMER, CHRISTMAS AND EASTER IS CLOSING ITS EASTER-SUMMER SCENE. IT IS TIME TO RECKON ACCOUNTS.
2. FOUR MAJOR EVENTS SET THE POLITICAL TONE IN THIS AREA. THE GRADUAL TIGHTENING OF THE ANDREOTTI GOVERNMENT'S DEFLATIONARY PROGRAM IS FIRST. SECOND, IS THE JUST COMPLETED NATIONAL AGREEMENT BETWEEN THE CHRISTIAN DEMOCRATS AND COMMUNISTS ON PUBLIC POLICY. THIRD IS THE CONVICTION OF THE MOST NOTORIOUS RED BRIGADE LEADER AND A NUMBER OF HIS HELPERS. THE SOVIET ATTACK ON EUROCOMMUNISM IS LAST BUT NOT LEAST.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 MILAN 01123 01 OF 03 052033Z

3. DEFLATION. THE DECISIONS MADE DURING THE CHRISTMAS-EASTER PHASE TO RAISE GOVERNMENT REVENUES, TO RESTRAIN PUBLIC SPENDING, TO REDUCE THE INFLATIONARY IMPACT OF LABOR COSTS, TO DAMPEN IMPORTS AND TO TIGHTEN UP CREDIT ARE ALL BEING FELT. THERE IS A SENSATION, FOR WHICH ADEQUATE STATISTICAL DEMONSTRATION IS LACKING, THAT THE CLASSICAL REMEDY IS WORKING. NOT THAT THIS AREA IS APPROACHING ZERO GROWTH NOR THAT ANYTHING LIKE A NEW CRISIS IS AT HAND. BUT COSTS ARE BEING CON-

TAINED, INFLATION IS BEING MODERATED AND DOMESTIC CONSUMPTION IS DECLINING.

4. NEARLY UNIVERSAL PESSIMISM ABOUT THE ITALIAN ECONOMY PERSISTS. BUT WITHOUT AS MUCH CONVICTION AS A YEAR AGO AND WITH EVEN LESS OBJECTIVE JUSTIFICATION. SUFFICE IT TO SAY THAT THE ECONOMY HERE APPEARS TO BE FLORID AND ALL THE EXTERNAL MEASURES OF PROSPERITY GIVE HIGH READINGS: DE FACTO SHORTAGE OF SKILLED LABOR, CROWDED RESTAURANTS, A 35 PERCENT INCREASE IN NEW CAR REGISTRATIONS OVER LAST YEAR, TOURIST FACILITIES SATURATED WITH ITALIAN TOURISTS, THE TOTAL ABSENCE OF VISIBLE BEGGARS OR DERELICTS IN MILAN. MORE SCIENTIFICALLY, BUSINESS AND BANKING LEADERS ARE LESS PESSIMISTIC IN OUR PRIVATE TALKS ABOUT THE ECONOMY THAN HAS BEEN THE CASE. THE LEADING ECONOMIC PUNDIT HAS, FOR THE FIRST TIME IN TWO YEARS, CONCEDE AN UPTURN HAS BEGUN.

5. DE-PCI AGREEMENT. UNTIL THE CARILLO INCIDENT, THE POLITICAL WEATHER THIS SPRING WAS ALL BLOWING OUT OF ROME. THE PROLONGED NEGOTIATIONS BETWEEN THE DC AND PCI WITH THE ACCOMPANYING SNAPPING AT THEIR HEELS BY THE SOCIALISTS AND REPUBLICANS HAVE BEEN THE CENTER PIECE OF LOCAL POLITICAL THINKING. TO SOME LOMBARDY POLITICOS, THE EXERCISE IN ROME WAS A FLATTERING TRANSFER OF THE PATTERN LONG SINCE SET IN MILAN REGIONAL GOVERNMENT. AS SUCH, IT IS SIMPLY CONFIRMED A NUMBER OF APPARENT VERITIES ABOUT THE FUTURE THAT THE FOREIGNER MIGHT BEAR IN MIND.

6. FIRST, THE OPTIONS BEFORE THE CHRISTIAN DEMOCRATS HAVE NARROWED
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 MILAN 01123 01 OF 03 052033Z

SINCE THE JUNE 1976 ELECTIONS. AT THAT TIME THERE WAS STILL A FLICKER OF HOPE AMONG LOCAL DC LEADERS, AS WELL AS AMONG REPUBLICANS, LIBERALS

AND SOME SOCIALISTS, THAT A DC-PSI COALITION COULD, IN TIME BE RESURRECTED. THAT HOPE HAS NOW BEEN VIRTUALLY ABANDONED, VICTIM OF DOGGED SOCIALIST RANK AND FILE OPPOSITION AND COMMUNIST SABOTAGE. THERE IS CONFIDENTIAL TALK THAT CRAXI IS SETTING THE STAGE FOR A BREAK WITH THE

PCI IN ORDER TO GET OFF ON A MORE PRODUCTIVE SOCIALIST COURSE. SOME LOCAL SOCIALISTS LEADERS CLAIM TO BELIEVE IT. BUT THAT IS TRUE OF FEW CHRISTIAN DEMOCRATS, ALTHOUGH SOME SPEAK OF A CRISIS IN NOVEMBER RESULTING IN A DC-PSI-PRI GOVERNMENT.

7. AT THE SAME TIME, THE DC SEES SOME SIGNS ON ALL SIDES THAT ITS RENEWAL AND RENAISSANCE IS PROCEEDING. ELECTION RESULTS HAVE SHOWED FURTHER DC GAINS. THE PARTY ORGANIZATION REALLY IS STRONGER AND ITS LOCAL OPPONENTS GRUDGINGLY ADMIT THAT THE DC HAS DONE THE TRICK THAT SEEMED IMPOSSIBLE TWO YEARS AGO. AND A TRICK THAT NONE BUT THE COMMUNISTS CAN DUPLICATE.

8. YET, NO ONE OF OUR CONTACTS. NOR THE PRESS, MUCH LESS PUBLIC OPINION AS WE SENSE IT, BELIEVES THAT THE DC CAN REGAIN AN ABSOLUT

MAJORITY HERE OR NATIONALLY. NO MATTER HOW THE BRIGHTEST PREDICTIONS ARE CUT, THE DC WILL REMAIN THE PLURALITY PARTY AT BEST. AND THERE ARE THOUGHTFUL YOUNG DC LEADERS WHO THINK THAT THE DC MAY, IN FACT, BE OUTDISTANCED BY THE COMMUNISTS WITHIN THE NEXT TWO YEARS.

9. THIS IS THE OTHER APPARENT VERITY: THAT THE PROGRESS OF THE COMMUNISTS CONTINUES-AT LEAST IN THE NORTH. LOCAL EXPERTS, NOT NOTED FOR THEIR OBJECTIVITY, CONSIDER ITALY SOUTH OF THE APPENNINES SO FICKLE THAT FLUCTUATION TO LEFT OR RIGHT ARE DISMISSED AS UNPREDICTABLE

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 MILAN 01123 02 OF 03 052048Z

ACTION EUR-08

INFO OCT-01 ISO-00 SS-14 NSC-05 NSCE-00 SP-02 INR-05

CIAE-00 EB-04 PM-03 MCT-01 /043 W

-----061234 052118Z /73

R 051305Z JUL 77

FM AMCONSUL MILAN

TO AMEMBASSY ROME

INFO SECSTATE WASHDC 5477

C O N F I D E N T I A L SECTION 2 OF 3 MILAN 1123

LIMDIS

AND CERTAINLY NOT STABLE. MEANWHILE, ELECTION IN THIS AREA CONTINUE TO

SHOW MINOR BUT STEADY COMMUNIST GROWTH. HOW ALL OF THIS STRIKES THE COMMUNISTS, WE SHALL BE THE LAST TO KNOW. BUT IT IS DISHEARTENING THE SOCIALISTS AND CHRISTIAN DEMOCRATS.

10. TERRORISM. THE THIRD MAJOR FACTOR HAVING AN EFFECT HERE IS TERRORISM. THE TRIAL AND CONVICTION OF THE REPUTED RED BRIGADE BOSS, RENATO CURCIO AND SEVERAL CONFEDERATES ON JUNE 23 WAS A GOVERNMENT ACHIEVEMENT, ALTHOUGH THE POLICE ARE ANGERED AT THE LIGHTNESS OF THE SENTENCES. AFTER THE SUCCESS OF HIS ORGANIZATION IN PREVENTING THE TRIAL OF A GROUP OF ITS MEMBERS IN TURIN BY INTIMIDATING JURORS, THE SAME TACTIC WAS THREATENED BY PLAN. BUT BECAUSE OF THE SUPPORT OF ALL THE POLITICAL PARTIES, THE TRADE UNIONS AND THE LEGAL ESTABLISHMENT PLUS VERY TOUGH GOVERNMENT SECURITY, IT FAILED HERE. THE PRESIDING JUDGE PREVENTED THE TRIAL FROM SERVING AS A PLATFORM FOR THE VERY ARTIC-

ULATE DEFENDANTS AND THEY WERE CONVICTED WITHOUT INCIDENT, SENTENCED AND DISPERSED TO VARIOUS ITALIAN SLAMMERS ALMOST BEFORE THE INK HAD DRIED ON THE VERDICT.

11. NEVERTHELESS, SHOOTINGS BY THE RED BRIGADE AND ITS COMPETITORS CONTINUE ALMOST DAILY AND AT AN INCREASED RATE. NOTWITHSTANDING THAT, THE TIDE JUST MAY HAVE BEGUN TO TURN ON THIS FRONT. THAT IS ONLY A HUNCH NOT SHARED BY OUR CONTACTS. IT IS RELATED TO, THOUGH NOT CONFIDENTIAL

CONFIDENTIAL

PAGE 02 MILAN 01123 02 OF 03 052048Z

DEPENDENT ON, THE DC-PCI ROME AGREEMENT. AS WE REPORTED IN OUR 0782 THE DC DESIRE FOR TOUGHER PUBLIC SECURITY MEASURES AND ITS NEED FOR PCI SUPPORT TO GET THEM HAS BEEN ABSESSIVE CONCERN HERE. NOW THAT A FORMAL BARGAIN HAS BEEN MADE, THE CORNER MAY HAVE BEEN TURNED ON PUBLIC SECURITY JUST AS THE DC-PCI AGREEMENT ON DEFLATIONARY POLICY LAST MARCH TURNED THAT CORNER. THERE IS STILL A VERY LONG WAY TO GO. BUT THE ROME AGREEMENT AS IT APPLIES TO PUBLIC SECURITY APPEARS HERE AS THE TRANSLATION INTO POLITICAL TERMS OF THE DESIRE OF THE OVERWHELMING MAJORITY OF THE PUBLIC. THIS IS NOT TO SUGGEST THAT THE COMMUNISTS CAN DIRECTLY INFLUENCE TERRORISM AS THEY CERTAINLY CAN INFLUENCE TRADE UNION POLICY. RATHER, IT MEANS THAT PCI APPROVAL FOR TOUGHER POLICE MEASURES MAKES THEM POSSIBLE AND COMMUNIST CONDEMNATION

OF TERRORISM REMOVES SOME OF THE PSYCHOLOGICAL COVER THAT TERRORIST SYMPATHIZERS NEED TO JUSTIFY THEIR DE FACTO AID TO THE TERRORIST MOVE-

MENT. TOGHEATHER, THESE FACTORS COULD WELL REDUCE TERRORISM IN THE MEDIUM RUN. IT IS WORTH NOTING, AS A MEASURE OR THE REMARKABLE CHANGE OF ATTITUDE BY THE WORKING CLASS TOWARD POLICE, THAT THERE HAVE BEEN RECENT INSTANCES OF THE PUBLIC CHEERING THE CARABINIERI. THERE PROBABLY IS NO PRECEDENT FOR THAT SINCE THEY CLATTERED ACROSS LOMBARDY BEHIND(OR BEFORE) VICTOR EMMANUEL TO UNITE ITALY MORE THAN A CENTURY AGO.

12. EUROCOMMUNISM. FINALLY, THE SOVIET ATTACK ON EUROCOMMUNISM IS IMPORTANT NEWS HERE. IT IS TOO SOON TO GET A DETAILED READING FROM LOCAL LEADERS EVEN IF THEY WERE ON TAP-AS THEY ARE NOT. BUT THE SIGNIFICANCE OT THE EVENT IUBVIDENT IN THE CONSIDERABLE AND SUSTAINED FRONT PAGE ATTENTION IT IS RECEIVING FROM THE MAJOR PRESS. THE NEW TIMES WARNING IS IMPORTANT HERE, OF COURSE, NOT BECAUSE OF CARRILLO OR

SPAIN, BUT BECAUSE IT IS TAKEN AS AIMED SQUARELY AT THE ITALIAN INVEN-

TORS OF EUROCOMMUNISM. THE STOCK PHRASE AMONG MILAN OPPONENTS OF THE CONFIDENTIAL

CONFIDENTIAL

PAGE 03 MILAN 01123 02 OF 03 052048Z

PCI IS THAT CARRILLO HAS SHOWN HIMSELF MUCH MORE COURAGEOUS THAN HIS ITALIAN COUNTERPARTS. BUT THE PCI DELEGATION HAS JUST RETURNED FROM ITS MEETING WITH THE SOCIET PARTY SO THAT WE HAVE NOT YET HEARD WHAT REALLY HAPPENED. HOWEVER, THE OFFICIAL PCI STATEMEENT CONDEMNS THE ATTACK ON CARRILLO AND THE ACCOUNT PUBLISHED ON JULY 5 IN MILAN'S

CORRIERE DELLA SERA BY THE PCI DELEGATION LEADER, GIANCARLO PAJETTA (NOT KNOWN FOR HIS INDEPENDENCE FROM CPSU), IS HARDLY LIKELY TO IMPROVE HUMORS IN MOSCOW. BUT THEY ARE QUITE LIKELY TO IMPROVE THE ACCEPTABILITY OF THE PCI HERE. AND THAT UNDERSCORES SOMETHING OF A CONTEMPORARY AXIOM OF IMPORTANCE TO AND ABOUT THE PCI: ITS ELECTORAL STRENGTH GROWS TO THE DEGREE THAT IT SHOWS ITSELF TO BE INDEPENDENT OF THE USSR AND A GENUINE DEMOCRATIC PARTY. THAT MAY SEEM UNREMARKABLE

BUT THE SAME COULD NOT HAVE BEEN SAID IN THE FIFTIES AND POSSIBLY NOT IN THE SIXTIES EITHER.

13. WHERE DOES THIS LEAD? IDENTIFYING THE MAJOR FORCES AT WORK IN THE LOCAL SITUATION IS A RISKY BUSINESS WITH FEW CERTAINTIES BEYOND THE PROBABILITY OF ERROR. BUT EXTRAPOLATING FROM THESE ASSUMPTIONS ABOUT PRESENT DAY REALITY IS DOWNRIGHT DARING. YET IT MAY BE LESS DARING THAN FOR THE POLICY MAKER FACED WITH HARDER DECISIONS AND LESS DIRECT INPUTS.

14. WITH THAT PREMISE, IT SEEMS THAT THE THRUST OF

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 MILAN 01123 03 OF 03 052102Z
ACTION EUR-08

INFO OCT-01 ISO-00 SS-14 NSC-05 NSCE-00 SP-02 INR-05
CIAE-00 EB-04 PM-03 MCT-01 /043 W
-----061394 052118Z /73

R 051305Z JUL 77
FM AMCONSUL MILAN
TO AMEMBASSY ROME 7438
INFO SECSTATE WASHDC 5478

C O N F I D E N T I A L SECTION 3 OF 3 MILAN 1123

THE EVENTS SKETCHED ABOVE IS IN THE DIRECTION OF A DC GOVERNMENT INCLUDING THE PCI. MANY THINGS COULD HAPPEN TO PREVENT THAT'S OCCURRING OR DELAYING IT FOR MANY YEARS. NEITHER IS IT INEVITABLE, LET ALONE DESIREABLE. BUT DURING THE PAST FOUR OF FIVE MONTHS SUCH AN OUTCOME HAS BECOME MORE PROBABLE THAN BEFORE. THE TREND WILL BE INFLUENCED BY THE 1978 PRESEDENTIAL RACE AND BY THE EUROPEAN ELECTION SCHEDULED FOR THE SAME YEAR. THEY WILL BE EXTREMELY IMPORTANT HERE ALTHOUGH THEIR MEANING FOR NATIONAL POLITICS IS STILL OBSCURE. ABOVE ALL, THE 1978 FRENCH ELECTIONS ARE SEEN HERE AS LIKELY TO POINT THE DIRECTION OF FUNDA-

MENTAL ITALIAN DECISIONS. I AM LESS CONVINCED OF THAT BUT IT IS CERTAINLY AN ARTICLE OF FAITH WITH LOCAL POLITICIANS.

15. SEVERAL CONSIDERATIONS POINT TOWARD PCI ENTRY TO GOVERNMENT. MOST IMPORTANT IS THE LACK OF CREDIBLE OPTIONS OPEN TO THE CHRISTIAN DEMOCRATS. LOCAL LEADERS SAY THAT THEY SEE NO WAY OUT OF A SITUATION IN WHICH THE DC AND PCI INCREASINGLY POLARIZE THE ELECTORATE. FOR THE TIME BEING, A REVIVED COALITION WITH THE SOCIALISTS LOOKS TO BE A NON-STARTER. THE ONE HOPE IS THAT NEW ELECTION MIGHT SOMEHOW CREATE A NEW ALTERNATIVE. BUT RECENT MINOR ELECTION RESULTS IN THIS AREA DO NOT POINT IN THAT DIRECTION AND THE SOVIET ATTACK ON EUROCOMMUNISM GIVES THE PCI ADDED CREDIBILITY AS AN INDEPENDENT PARTY WITH CONSEQUENT IMPROVED ACCEPTABILITY TO THE MIDDLE CLASS INTO WHICH IT IS NOW CONFIDENTIAL

CONFIDENTIAL

PAGE 02 MILAN 01123 03 OF 03 052102Z

EXPANDING.

16. BUT THERE IS ANOTHER AS YET UNARTICULATED ASPECT THAT BEARS WATCHING. THE GROWTH OF DC STRENGTH AS THE PARTY RE-BUILDS THROUGHOUT THIS ARE INCREASES ITS CONFIDENCE IN ITS ABILITY TO COHABIT WITH THE COMMUNISTS IN GOVERNMENT. THE EXPERIENCE OF COMMUNIST-SOCIALIST LOCAL GOVERNMENTS SINCE JUNE 1975 HAS ADDED TO THE IMPRESSION THAT THE COMMUNISTS ARE NOT THAT MUCH MORE CLEVER OR TOUGH THAN THE CHRISTIAN DEMOCRATS. AND THE SKILLFUL PERFORMANCE BY ANDREOTTI HIMSELF

-WITH A FAR MORE THAN PREVIOUSLY UNITED PARTY-SUGGESTS A VERY DIFFERENT CHRISTIAN DEMOCRATIC PARTY MACHINE FROM THAT OF THE PAST HALF DOZEN YEARS. A YEAR AGO THE IDEA OF CHRISTIAN DEMOCRATS BEING ABLE TO HOLD THEIR OWN WITH THE COMMUNISTS IN A GOVERNMENT WOULD HAVE GOTTEN A GOOD LAUGH FROM ANY OF OUR LOCAL POLITICAL AFFICIONADOS. TODAY, THE CHRISTIAN DEMOCRATS COULD PROBABLY GET EVEN MONEY.

17. MOREOVER, AS WE OBSERVED IN OUR 0782, SOME CHRISTIAN DEMOCRATS SEE BENEFITS FROM GIVING PCI GREATER RESPONSIBILITY FOR GOVERNMENT. TODAY THEY DRAW THE LINE AT ACTUAL MEMBERSHIP IN CABINET. CAN THEY HOLD THAT LINE TOMORROW IF THE PCI REMAINS SO COOPERATIVE? IT SHOULD NOT BE FORGOTTEN THAT THE PCI HAS BEEN A VERY ACCOMODATING PARTNER SINCE 1976. THE EASY REVISION OF THE LATERAN PACTS, THE CONCILIATORY APPROACH TO ABORTION LIBERALIZATION, THE CONSTRUCTIVE APPROACH TO INFLATION AND NOW TO LAW AND ORDER ALL MAKE THE COMMUNISTS MUCH EASIER TO LIVE WITH THAN, SAY, THE SOCIALISTS OR REPUBLICANS.

18. WE MUST SUPPOSE THAT THERE IS A PROBLEM FOR THE COMMUNISTS AS THEY SHIFT TOWARD THE CENTER. INEVITABLE, THIS WILL CONTINUE TO COST THEM SUPPORT ON THE RADICAL LEFT. BUT AS LONG AS THAT DISSIDENT LEFT ELEMENT IS CONFIDENTIAL

CONFIDENTIAL

PAGE 03 MILAN 01123 03 OF 03 052102Z

TERRORIST OF VIOLENT IN ITS APPROACH, THE LOSS MAY BE BEARABLE SINCE THE PUBLIC IN THIS PART OF ITALY IS PROFOUNDLY OUT OF SYMPATHY WITH POLITICAL VIOLENCE. LOCAL BELIEF IS THAT THE PCI'S MIGRATION TOWARD THE CENTER IS GAINING VOTES MUCH MORE RAPIDLY THAN IT IS LOSING THEM TO THE LEFT. AND THE SOVIET CONDEMNATION OF CARRILLO WILL PROBABLY CONTRIBUTE TO THIS TREND IF, AS PREVIOUS EXPERIENCE SUGGESTS, THE PCI CONTINUES TO CONVEY THE IMPRESSION OF MOVEMENT AWAY FROM THE SOVIET UNION.

19. THE DILEMMA FOR CHRISTIAN DEMOCRATS OPPOSED TO EVENTUAL PCI ADMISSION TO THE GOVERNMENT IS ALSO A TOUGH ONE. AS THEIR PRINCIPAL MILAN LEADER DESCRIBED IT, THEY CANNOT FIND THE RIGHT GROUND ON WHICH TO FORCE A STAND. IN THEIR VIEW, THE PCI IS DEPRESSINGLY SUCCESSFUL IN DIVIDING THE STEPS TO GOVERNMENT INTO INFINITELY SMALL ONES, NO ONE OF WHICH SEEMS WORTH A SHOW-DOWN. A GOVERNMENT DEPENDENT ON PCI ABSTENTION, THE PRESIDENCY OF THE CHAMBER, CONSULTATION OF LEGISLATION AND AGREEMENT ON A LEGISLATIVE PROGRAM HAVE EACH CARRIED THE PCI CLOSER TO INCLUSION IN GOVERNMENT. NEXT THE DC HERE FEARS, WILL BE AGREEMENT ON NON-PCI CABINET MINISTERS WHO ARE ACCEPTABLE TO THE PCI. AND AFTER THAT, PERHAPS ONE OR MORE VERY VERY CONSERVATIVE PCI CABINET MINISTERS IN VERY NON-SENSITIVE CABINET POSTS. WHERE, THESE DC OPPONENTS ASK, CAN THEY FIND AN ISSUE CLEAR ENOUGH TO RALLY THE ENTIRE PARTY TO BREAK THIS SLOW PROGRESSION?

20. WE ARE TOLD THAT MORO SEES ALL OF THIS WITH GREAT CLARITY AND THAT HIS ADVICE TO LOCAL DC CONSERVATIVES IS TO PLAY FOR TIME. BUT THEY CLAIM THAT HE HAS NO STRATEGY BEYOND KEEPING A DC GOVERNMENT AFLOAT AND WAITING FOR SOMETHING TO TURN UP. (AS FOR ZACCAGNINI, HE IS HARDLY MORE THAN A ELECTION CAMPAIGN MEMORY, NO LONGER CONSIDERED HERE TO BE A PLAYER WITH TRICKS IN

CONFIDENTIAL

CONFIDENTIAL

PAGE 04 MILAN 01123 03 OF 03 052102Z

HIS HAND.) THE LOCALLY POWERFUL DC PRESIDENT OF THE REGION, A LEFT WING DC, LOOKS TO NEW ELECTIONS TO INTERRUPT THE PCI TREND TO POWER BY ADMINISTERING IT A SETBACK. BUT THERE ARE NOT MANY OTHERS HERE TODAY WHO EXPECT THAT HAPPY OUTCOME.

21. IT IS THIS RANGE OF CONSIDERATION THAT PROMPTS

THE IMPRESSION THAT THE FORCES AT WORK HERE, AS SUMMER
SEEPS INTO THE PO VALLEY, ARE TRENDING TOWARD A
NATIONAL GOVERNMENT THAT, FOR THE FIRST TIME IN MORE THAN THREE
DECADES WOULD INCLUDE COMMUNISTS.
FINA

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: REPORTS, INTELLIGENCE ASSESSMENTS, POLITICAL SITUATION
Control Number: n/a
Copy: SINGLE
Sent Date: 05-Jul-1977 12:00:00 am
Decaption Date: 22 May 2009
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MILAN01123
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770238-0831
Format: TEL
From: MILAN
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770792/aaaadbzg.tel
Line Count: 391
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 4a1e5171-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: LIMDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 8
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: LIMDIS
Reference: 77 MILAN 782
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 17-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1967214
Secure: OPEN
Status: NATIVE
Subject: A SUMMER VISION OF THE RED AND THE BLACK
TAGS: ECON, PGOV, PINS, PINT, IT
To: ROME
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/4a1e5171-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009